

THE TERRILL FIRM

A PROFESSIONAL CORPORATION

810 West 10th Street
Austin, Texas 78701-2005
Tel (512) 474-9100
Fax (512) 474-9888

June 26, 2008

Judge Craig R. Bennett
Judge Travis Vickery
Administrative Law Judges
State Office of Administrative Hearings
300 West 15th Street, Suite 502
Austin, TX 78701

Via Facsimile: (512) 474-4994

2008 JUN 27 AM 8:17
CHIEF CLERKS OFFICE

TEXAS
COMMISSION
ON ENVIRONMENTAL
QUALITY

Re: *Application by Aqua Utilities, Inc. d/b/a Aqua Texas, Inc. To Change its Water and Sewer Tariffs and Rates in Various Counties, and Appeal of Ratemaking Actions in Various Municipalities Denying Requested Changes to Water and Sewer Tariffs and Rates; SOAH Docket Nos. 582-05-2770 and 582-05-2771; TCEQ Docket Nos. 2004-1120-UCR and 2004-1671-UCR.*

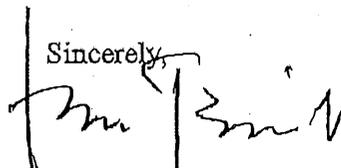
Dear Judges Bennett and Vickery:

Pursuant to Order No. 51 Requiring Submission of Rate Sheets and Supporting Rate Setting Data, Aqua Texas has conferred with the TCEQ Executive Director and the Southeast and Southwest Region Homeowners groups concerning the rate-setting data and final rate sheets. The parties are attempting to work out an agreement on the remaining issues, particularly a stipulated number of active connections to use in calculating final rates that recover the revenue requirement approved by the Commission. To this point, Aqua Texas has not been able to reach an agreement with the Southeast and Southwest Regions.

Without such an agreement, a conference with the ALJs, and possibly a short hearing, will be necessary to resolve the remaining issues. Although we will work hard to avoid the necessity of a conference or hearing, Aqua Texas submits this request for a conference and/or hearing in the event it is unable to reach an agreement with the Southeast and Southwest Regions. The TCEQ Executive Director joins in this request.

Thank you for your courtesies.

Sincerely,



Paul M. Terrill
THE TERRILL FIRM, P.C.

cc: Service list

Judge Craig R. Bennett
Judge Travis Vickery
June 26, 2008
Page 2

SERVICE LIST

Parties	Representative / Address	Phone
STATE OFFICE ADMINISTRATIVE HEARINGS	Craig R. Bennett Travis Vickery Administrative Law Judges State Office of Admin. Hearings 300 West 15th Street Suite 502 Austin, TX 78701	Tel: 475-4993 Fax: 475-4994
SOAH Docket Clerk	Docket Clerk State Office of Admin. Hearings 300 West 15th Street, Suite 502 Austin, TX 78701	Fax: 936-0730
TCEQ Chief Clerk	Office of the Chief Clerk, TCEQ 12100 Park 35 Circle Bldg. F/1, Room 1104 Austin, Texas 78753	Fax: 239-3311
TCEQ Executive Director	Todd Galiga Executive Director, TCEQ MC-175 P.O. Box 13087 Austin, TX 78711-3087	Tel: 239-3578 Fax: 239-0606
Office of Public Interest Counsel of TCEQ	Scott Humphrey TCEQ, OPIC MC-103 P.O. Box 13087 Austin, TX 78711-3087	Tel: 239-0574 Fax: 239-6377
Estates of Shady Hollow HOA; Beaver Island POA; Comanche Cliffs HOA; Kerr and Kendall Counties Falling Water POA; The Reserve at Falling Water POA; Cypress Springs Estates POA; Kendall Pointe POA; Onion Creek Meadows POA	Ed McCarthy Jackson Sjoberg McCarthy & Wilson L.L.P. 711 West 7th St. Austin Texas 78701	Tel: (512) 472-7600 Fax: (512) 225-5565 emccarthy@jacksonsjoberg.com
Eagle Creek Ranch OA	Linda Lamberth 912 Eagle Creek Dr. Floresville, TX 78114	Tel: (830) 393-3373 Fax (210) 524-8501 sinanju@ix.netcom.com

Judge Craig R. Bennett
Judge Travis Vickery
June 26, 2008
Page 3

SERVICE LIST

Parties	Representative / Address	Phone
Southeast Region Homeowners Group (CIA of Shadow Bay; Cedar Point HOA; Lake Conroe Village HOA; Brentwood Residents; Stablegate HOA; Port Adventure HOA; Lake Livingston Village HOA; and numerous individual customers	Gayle Pierce 14188 Shadow Bay Dr. Willis, TX 77318-7405	Tel: (936) 890-2152 Fax: (936) 890-2368 MGPierceRV@msn.com
	EdMcCarthy Jackson Sjoberg McCarthy & Wilson L.L.P. 711 West 7th St. Austin Texas 78701	Tel: (512) 472-7600 Fax: (512) 225-5565 emccarthy@jackson sjoberg.com
Crighton Ridge Homeowners Association	Judith Weidner 13231 Ridgewater Way Conroe, TX 77302-3468	Tel: (936) 494-1104
Barton Creek Lakeside POA	Byron Zinn 120 Hidden Springs Ct. Spicewood, TX 78669	Tel: (830) 798-2380

THE TERRILL FIRM

A PROFESSIONAL CORPORATION

810 West 10th Street
Austin, Texas 78701
Tel (512) 474-9100
Fax (512) 474-9888

2008 JUN 27 AM 8:17
CHIEF CLERKS OFFICE

TEXAS
COMMISSION
ON ENVIRONMENTAL
QUALITY

FAX COVER SHEET

DATE : June 26, 2008

TIME : 4:39pm

PLEASE DELIVER TO:

NAME :	Craig R. Bennett Travis Vickery	FAX NUMBER :	475-4994
	SOAH Docket Clerk		475-4994
	TCEQ Office of Chief Clerk		239-3311
	Todd Galiga (TCEQ - ED)		239-0606
	Scott Humphrey (TCEQ - OPIC)		239-6377
	Linda Lamberth		sinanju@ix.netoom.com
	Gayle Pierce		mgpiercerv@msn.com
	Ed McCarthy		(512) 225-5565
	Judith Weidner		no fax - mail
	Byron Zinn		no fax - mail
FROM :	Beckie Figg, Legal Assistant		
CM #	9284		
TOTAL NUMBER OF PAGES SENT (Including coversheet) :		pages	
IF YOU DO NOT RECEIVE ALL OF THE PAGES, PLEASE CALL BACK AS SOON AS POSSIBLE.			
REMARKS :			
RE: <i>Application by Aqua Utilities, Inc. d/b/a Aqua Texas, Inc., and AquaSource Development Company d/b/a Aqua Texas, Inc., to Change Their Water and Sewer Tariffs and Rates in Various Counties, and Appeal of Rate-Making Actions of Various Municipalities Denying Requested Changes to Water and Sewer Tariffs and Rates SOAH Docket Nos. 582-05-2770 and -2771; TCEQ Docket Nos. 2004-1120-UCR and 2004-1671-UCR</i>			
Please see attached letter from Paul Terrill dated June 26, 2008.			
CONFIDENTIALITY NOTICE			
This facsimile transmission (and/or the documents accompanying it) may contain confidential information belonging to the sender which is protected by the attorney-client privilege. The information is intended only for the use of the individual or entity named below. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this information is strictly prohibited. If you have received this transmission in error, please immediately notify us by telephone to arrange for the return of the documents.			